

# **MEETING SUMMARY NOTES**

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## **Cost Savings and Efficiency Work Group**

*February 11, 2003*

*4:00 p.m., Room 113, County-City Building*

**MEMBERS:** Present - Russ Bayer Jennifer Brinkman, Mark Brohman, Jon Carlson, Brian Carstens, Duane Eitel, Rick Krueger, Greg MacLean, Jerry Schleich, Greg Wood, Patte Newman, Allan Abbot (non-voting)  
Absent - Carol Brown, Duane Hartman, Mark Hunzeker, Melinda Pearson, Roger Reynolds

**OTHERS:** Kent Morgan, Karen Jensen, Randy Hoskins, Steve Masters, Roger Figard, Lynn Johnson, Karl Fredrickson, Michele Abendroth

### **AGENDA ITEMS DISCUSSION:**

#### **Welcome**

Russ Bayer called the meeting to order at 4:10 p.m.

Mr. Bayer asked if there were any public comments; there were none.

Mr. Morgan asked the Work Group if they were comfortable placing the attributed (vs. non-attributed) minutes from the workshops on the web site. None of the members had an issue with using the attributed minutes.

Ms. Jensen reminded the group that we would endorse a particular recommendation with a 2/3 majority vote. Mr. Carlson questioned whether the group had decided that the majority was 3/4. No specific conclusion was reached regarding this matter.

Mr. Bayer thanked the group for their passion during the group's discussion last week. He stated that the long term goal is getting the discussion completed prior to the end of February, at which time Mr. Morgan will draw up a document for the group's review.

The group began the discussion with Item (D) under Big Picture, as follows: Create park districts to fund and construct city parks.

Ms. Jensen introduced Lynn Johnson of the Parks and Recreation Department (P&R) to address park districts. Lynn Johnston stated that the way neighborhood parks are developed now is that most generally the land is dedicated through the subdivision process. Through the capital improvements program, P&R budgets for improvements over time. Parks and Rec plans and

constructs neighborhoods parks in-house. He continued by stating that P&R has been phasing in park development because there have not been enough funds to do it all at once. Mr. Johnson stated that their plan is to build one neighborhood park a year, and they have been able to accomplish that. There are seven districts identified with impact fees. Under impact fees, with each residential lot that a building permit is pulled on, the fee is paid at a little over \$200 for each single family lot. Those funds would be used for both acquisition and development. Ninety percent of funds for neighborhood parks has been from city funds and the remaining 10% from grants.

Mr. Johnson added that park improvement districts are allowed by the charter of Lincoln. He stated that it is a tool that has never been used to his knowledge, but has some merit. In terms of how a home owner pays, under the impact fee system, most likely, they would pay through the mortgage. Under the park improvement district, there becomes an assess district, and the city council has to approve each one of those, so it gets paid through the property taxes. So in reality, it will get paid with the mortgage most likely.

Mr. Johnson stated that he feels we are very efficient in Lincoln in how we develop neighborhood park districts, and doesn't think there is much opportunity for increased efficiency.

Ms. Jensen asked the group if there were questions of Mr. Johnson. Mr. Bayer questioned whether the \$200 per household will be collected from impact fees if park districts were created. Mr. Johnson replied that improvement districts would be formed in place of impact fees. Mr. Morgan stated that impact fees would be for new construction, whereas assessment fees could also be used for maintenance. Mr. Carlson asked if the authority exists to do the park districts. Mr. Johnson confirmed that it is.

Mr. Johnson then added that park districts get used for funding maintenance, so you have neighborhoods that can afford to "tax themselves" for a higher level of park maintenance, and some that can't. He stated that Lincoln's parks are all maintained at the same level.

Mr. Bayer asked if we had been using park assessment districts, would the funding gap be smaller? Mr. Johnson stated that we are definitely behind in funding park development, and there are several sights that are not developed.

Mr. Wood questioned if this recommendation saves time or money. Ms. Brinkman stated that she feels this is a moot point as impact fees have addressed this issue, and although she does see the value of it, she does not feel that this is part of this group's charge.

Mr. Krueger stated that this saves time and money in that it allows us to get ahead of the developing market. He had also suggested using advanced land acquisition funds to acquire the land at the farm rate, thereby saving money -- you can create the district and collect the assessment as people acquire the lots.

Ms. Jensen asked the group member about their support of this recommendation. One member showed strong support and the remainder were either neutral or wouldn't support the recommendation. Consensus was reached not to forward this recommendation.

Mr. Abbott distributed revised copies of the roadway costs using the new assumptions discussed previously.

Mr. Hoskins stated that they took out certain things to lower the costs. New costs were based on the removal of dual left turn lanes at the half mile point, the increase of sidewalks from one side to both sides, removal of signals for a trail or pedestrian crossing, removal of the traffic sign at the half mile point, removal of street lighting, removal of water line, fire hydrants, and re-setting manholes, and a reduction in the amount of retaining walls. For the three lane section, the original \$2.7 million estimate was reduced to \$2.2 million, and the 5 lane section dropped from \$3.5 million to \$3 million. For the 12 year total, the gap is now \$311 million, down from \$350 million.

Mr. Hoskins stated that they also looked at building three lanes first and two additional lanes in the future within the growth areas; in the existing developed area, facilities would be built as was modeled during the planning process. Everything that is outside the existing developed area, would be built initially as three lanes. By doing that, the total gap for the first 12 years is down to \$290 million. He reminded the group that these are deferred costs.

Mr. Hoskins then stated that within the developed area, they looked at the projects that could be deferred until the second 12 year period. That reduced the gap by \$90 million.

Mr. Bayer stated that effectively, the new estimates show a savings of \$35 million and deferred costs of \$128 million.

Mr. Bayer thanked Mr. Abbott, Mr. Hoskins, and Mr. Figard for their work in revising these estimates.

In Mr. Hunzeker's absence, the group decided to postpone discussion on dual left turns until next week, as he has strong feelings regarding this issue.

Ms. Jensen then called for a vote on the following issue: Streamline the City's platting process. One member was neutral and the remainder either strongly supported or supported this recommendation; therefore, this recommendation will advance forward.

The next issue discussed was the cost for burying LES lines. Mr. Carstens stated that he doesn't understand if LES or the City pays for burying lines. Mr. Figard stated that for community value reasons, do you want the utility lines underground or overhead? If you want them underground, it will cost more. He stated that when LES has been in the City's right-of-way, typically we make them move the transmission and distribution. If we make them move, the project has paid LES to do the work. If you take an old line and put in a new line, LES will pay for the betterment, but Public Works pays to move them because they were there and are a City utility. Mr. Abbott stated that LES makes the decision to bury the lines. Mr. Bayer questioned if this possibly was a legislative issue and if it was an issue beyond this group's purview.

Ms. Jensen called for a vote on two statements regarding this issue. Bury lines, no matter who pays. Two members were neutral, one supported, and the remainder strongly supported this

recommendation. The other statement is as follows: Ask LES to pay to get out ROW and/or to pay for burying costs. Two members were neutral, one supported, and the remainder strongly supported this recommendation. Both of these recommendations will advance.

The next issue discussed was single vs. parallel mains. The statement reads as follows: Review wastewater system policies governing the use of a single main vs. parallel mains in servicing a drainage basin

Mr. Masters stated that when designing mains, Public Works looks at the service area they want to provide the utility for, the topographic characteristics of the area to be served, the time frame for growth, and the cost per flow. Mr. Abbott stated that the question is how far in the future do you look when sizing mains. Mr. Masters stated that it comes down to applying judgement and applying the four issues mentioned above.

Mr. Bayer stated that he believes that we are already doing this effectively. Consensus was reached to discard this issue.

The next issue was arterials in urban cross sections. The recommendation was as follows: The City will try for three lanes at grade when possible and appropriate, but flexibility must be given to Public Works to do full urban cross-sections where most needed. The group decided that this issue had already been discussed and decided to discard this recommendation.

Next discussed was the issue of striping. The recommendation was stated as follows: Ensure that striping is funded appropriately so that we don't fall behind. Four members were neutral, three didn't support, and two supported this recommendation, so this recommendation will not advance.

The next issue discussed was sureties policy, with the statement as follows: Review sureties policy for sidewalks and street trees along arterials. The group reached the decision that impact fees would cover the cost of the sidewalk, and subsequently, this issue was discarded. However, trees are not covered by impact fees, so the group decided that further discussion was warranted. Mr. Abbott stated that he would check with Lynn Johnson regarding trees.

The next meeting will be February 18<sup>th</sup> at 4:00 p.m. in Room 113. Discussion items will be the trees and dual left turns. Group members who have passion on the non-bolded items will be given the opportunity to speak, and any new issues will be discussed. The final step will be revisiting the issues that remain under consideration. If these tasks are completed, the group will not meet until March 11<sup>th</sup> at which time the group will review the document crafted by Mr. Morgan.